

TRADEMARK ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
PLVTZ, LLC		03/31/2006	LIMITED LIABILITY COMPANY: DELAWARE
PLVTZ Holdings II, LLC		03/31/2006	LIMITED LIABILITY COMPANY: DELAWARE

RECEIVING PARTY DATA

Name:	Bank of America, N.A.
Street Address:	40 Broad Street
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02109
Entity Type:	INC. ASSOCIATION:

PROPERTY NUMBERS Total: 14

Property Type	Number	Word Mark
Registration Number:	2484713	@ MY PLACE
Registration Number:	2422492	LOVE THE WAY YOU LIVE
Registration Number:	1803479	ROOMS FOR LESS
Registration Number:	2386797	BETTER ROOMS FOR LESS
Registration Number:	1043146	LEVITZ COAST-TO-COAST SINCE 1910
Registration Number:	0969828	LEVITZ
Registration Number:	2800130	YOU'LL LOVE IT AT LEVITZ
Registration Number:	1922052	JOHN M. SMYTH'S HOMEMAKERS
Registration Number:	2436329	SEAMAN'S KIDS FURNITURE
Registration Number:	1798293	SEAMAN'S
Registration Number:	1816230	SEE SEAMAN'S FIRST
Registration Number:	1824758	THE PACKAGE

TRADEMARK

REEL: 003303 FRAME: 0386

900048307

CH \$365.00 2484713

Registration Number:	2125211	THE SENSIBLE WAY TO A BEAUTIFUL HOME!
Serial Number:	78239632	FEEL THE LOVE

CORRESPONDENCE DATA

Fax Number: (703)415-1557
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 703-415-1555
 Email: mail@specializedpatent.com
 Correspondent Name: Christopher E. Kondracki
 Address Line 1: 2001 Jefferson Davis, Hwy., Suite 1007
 Address Line 4: Arlington, VIRGINIA 22202

ATTORNEY DOCKET NUMBER:	6040153 TM
NAME OF SUBMITTER:	Christopher E. Kondracki
Signature:	/Christopher E. Kondracki/
Date:	05/05/2006

Total Attachments: 16

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), dated as of March 31, 2006, by and among (a) PLVTZ, LLC, a Delaware limited liability company having its principal place of business at 300 Crossways Park Drive, Woodbury, New York 11797 (the "Lead Borrower"), (b) PLVTZ HOLDINGS II, LLC, a Delaware limited liability company having its principal place of business at 623 Fifth Avenue, 32nd Floor, New York, New York 10022 (the "Facility Guarantor") (the Lead Borrower and the Facility Guarantor are hereinafter referred to, individually, as a "Grantor" and, collectively, as the "Grantors"), and (c) BANK OF AMERICA, N.A., a national banking association, as collateral agent (in such capacity, the "Collateral Agent") for its own benefit and the benefit of the other Secured Parties (as defined in the Security Agreement referred to below), in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

WHEREAS, reference is made to that certain Credit Agreement, dated as of March 31, 2006 (as amended, modified, supplemented or restated and in effect from time to time, the "Credit Agreement"), by and between, among others, (i) the Lead Borrower and the other Borrowers from time to time party thereto (collectively, with the Lead Borrower, the "Borrowers"), (ii) the Facility Guarantor and the other Facility Guarantors from time to time party thereto (collectively, with the Facility Guarantor, the "Facility Guarantors"), (iii) the Lenders from time to time party thereto (the "Lenders"), (iv) Bank of America, N.A., as administrative agent (in such capacity, the "Administrative Agent") for its own benefit and the benefit of the other Secured Parties, (v) the Collateral Agent, and (vi) Bank of America, N.A., as Issuing Bank, pursuant to which the Lenders have agreed to make Loans to the Borrowers, and the Issuing Bank has agreed to issue Letters of Credit for the account of the Borrowers, upon the terms and subject to the conditions specified in the Credit Agreement; and

WHEREAS, reference is also made to that certain Guarantee, dated as of March 31, 2006 (as amended, modified, supplemented or restated and in effect from time to time, the "Facility Guarantee"), executed by the Facility Guarantors in favor of the Administrative Agent, the Collateral Agent, and the other Secured Parties, pursuant to which each Facility Guarantor guarantees the payment and performance of the Guaranteed Obligations (as defined in the Facility Guarantee); and

WHEREAS, the obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit are each conditioned upon, among other things, the execution and delivery by the Grantors of (i) that certain Security Agreement, dated as of March 31, 2006 (as amended, modified, supplemented or restated and in effect from time to time, the "Security Agreement"), by and among the Grantors and the Collateral Agent, pursuant to which each Grantor grants to the Collateral Agent (for its own benefit and the benefit of the other Secured Parties) a security interest in and to the Collateral (as defined herein), and (ii) an agreement in the form hereof, pursuant to which each Grantor grants to the Collateral Agent (for its own benefit and the benefit

of the other Secured Parties) a security interest in and to the IP Collateral (as defined herein), in order to secure the Secured Obligations (as defined herein).

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, the Grantors and the Collateral Agent, on its own behalf and on behalf of the other Secured Parties (and each of their respective successors or permitted assigns), hereby agree as follows:

SECTION 1. Definitions.

1.1 Generally. All references herein to the UCC shall mean the Uniform Commercial Code as in effect from time to time in the Commonwealth of Massachusetts; provided, however, that if a term is defined in Article 9 of the UCC differently than in another Article thereof, the term shall have the meaning set forth in Article 9; provided further that, if by reason of mandatory provisions of law, perfection, or the effect of perfection or non-perfection, of the security interest in any IP Collateral or the availability of any remedy hereunder is governed by the Uniform Commercial Code as in effect in a jurisdiction other than Massachusetts, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection or availability of such remedy, as the case may be.

1.2 Definition of Certain Terms Used Herein. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Credit Agreement. In addition, as used herein, the following terms shall have the following meanings:

"Administrative Agent" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Borrower" and "Borrowers" shall have the meaning assigned to such terms in the preamble of this Agreement.

"Collateral" shall have the meaning assigned to such term in the Security Agreement.

"Collateral Agent" shall have the meaning assigned to such term in the preamble of this Agreement.

"Copyrights" shall mean all copyrights and like protections in each work of authorship or derivative work thereof of any Grantor, whether registered or unregistered and whether published or unpublished, including, without limitation, the United States copyright registrations and copyright applications listed on **EXHIBIT A** annexed hereto and made a part hereof, together with any goodwill of the business connected with, and symbolized by, any of the foregoing.

"Copyright Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right under any Copyright, including, without limitation, the agreements listed on **EXHIBIT A** annexed hereto and made a part hereof.

"Copyright Office" shall mean the United States Copyright Office or any other federal governmental agency which may hereafter perform its functions.

"Credit Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Facility Guarantee" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Facility Guarantor" and "Facility Guarantors" shall have the meaning assigned to such terms in the preamble of this Agreement.

"Grantor" and "Grantors" shall have the meaning assigned to such terms in the preamble of this Agreement.

"Intellectual Property" shall have the meaning assigned to such term in SECTION 3 of this Agreement.

"IP Collateral" shall have the meaning assigned to such term in SECTION 2 of this Agreement.

"Lender" and "Lenders" shall have the meaning assigned to such terms in the preliminary statement of this Agreement.

"Licenses" shall mean, collectively, the Copyright Licenses, Patent Licenses, Trademark Licenses, and any other license providing for the grant by or to any Grantor of any right under any Intellectual Property.

"Patents" shall mean all patents and applications for patents of any Grantor, and the inventions and improvements therein disclosed, and any and all divisions, revisions, reissues and continuations, continuations-in-part, extensions, and reexaminations of said patents including, without limitation, the United States patents and patent applications listed on **EXHIBIT B** annexed hereto and made a part hereof.

"Patent Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right under any Patent, including, without limitation, the agreements listed on **EXHIBIT B** annexed hereto and made a part hereof.

"PTO" shall mean the United States Patent and Trademark Office or any other federal governmental agency which may hereafter perform its functions.

"Secured Obligations" shall mean, collectively, the Obligations (as defined in the Credit Agreement) and the Guaranteed Obligations (as defined in the Facility Guarantee).

"Security Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Trademarks" shall mean all trademarks, trade names, corporate names, company names, domain names, business names, fictitious business names, trade dress, trade styles, service marks, designs, logos and other source or business identifiers of any Grantor, whether registered or unregistered, including, without limitation, the United States trademark registrations and trademark applications listed on **EXHIBIT C** annexed hereto and made a part hereof, together with any goodwill of the business connected with, and symbolized by, any of the foregoing.

"Trademark Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right under any Trademark, including, without limitation, the agreements listed on **EXHIBIT C** annexed hereto and made a part hereof.

1.3 Rules of Interpretation. The rules of interpretation specified in Sections 1.02 and 1.03 of the Credit Agreement shall be applicable to this Agreement.

SECTION 2. Grant of Security Interest. In furtherance and as confirmation of the Security Interest (as defined in the Security Agreement) granted by the Grantors to the Collateral Agent (for its own benefit and the benefit of the other Secured Parties) under the Security Agreement, and as further security for the payment or performance, as the case may be, in full of the Secured Obligations, each of the Grantors hereby ratifies such Security Interest and grants to the Collateral Agent (for its own benefit and the benefit of the other Secured Parties) a continuing security interest, with a power of sale (which power of sale shall be exercisable only following the occurrence and during the continuance of an Event of Default), in all of the present and future right, title and interest of such Grantor in and to the following property, and each item thereof, whether now owned or existing or hereafter acquired or arising, together with all products, proceeds, substitutions, and accessions of or to any of the following property (collectively, the "IP Collateral"):

- (a) All Copyrights and Copyright Licenses;
- (b) All Patents and Patent Licenses;
- (c) All Trademarks and Trademark Licenses;
- (d) All other Licenses;
- (e) All renewals of any of the foregoing;

(f) All trade secrets, know-how and other proprietary information; works of authorship and other copyright works (including copyrights for computer programs), and all tangible and intangible property embodying the foregoing; inventions (whether or not patentable) and all improvements thereto; industrial design applications and registered industrial designs; books, records, writings, computer tapes or disks, flow diagrams, specification sheets, computer software, source codes, object codes, executable code, data, databases, and other physical manifestations, embodiments or incorporations of any of the foregoing, and any Licenses in any of the foregoing, and all other Intellectual Property and proprietary rights;

(g) All General Intangibles connected with the use of, or related to, any and all Intellectual Property (including, without limitation, all goodwill of each Grantor and its business, products and services appurtenant to, associated with, or symbolized by, any and all Intellectual Property and the use thereof);

(h) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements, misappropriations or dilutions thereof;

(i) The right to sue for past, present and future infringements, misappropriations, and dilutions of any of the foregoing; and

(j) All of the Grantors' rights corresponding to any of the foregoing throughout the world.

SECTION 3. Protection of Intellectual Property By Grantors. Except as set forth below in this SECTION 3, each of the Grantors shall undertake the following with respect to each of the material items respectively described in Sections 2(a), (b), (c), (d), (e), (f) and (g) (collectively, the "Intellectual Property"):

(a) Pay all renewal fees and other fees and costs associated with maintaining the Intellectual Property and with the processing and prosecution of the Intellectual Property and take all other steps reasonably necessary to maintain each registration of the Intellectual Property.

(b) Take all actions reasonably necessary to prevent any of the Intellectual Property from becoming forfeited, abandoned, dedicated to the public, invalidated or impaired in any way.

(c) At the Grantors' sole cost, expense, and risk, pursue the processing and prosecution of each application for registration which is the subject of the security interest created herein and not abandon or delay any such efforts.

(d) At the Grantors' sole cost, expense, and risk, take any and all action which the Grantors reasonably deem appropriate under the circumstances to protect the Intellectual Property from infringement, misappropriation or dilution, including, without limitation, the prosecution and defense of infringement actions.

Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, and no Material Adverse Effect would result therefrom, no Grantor shall have an obligation to use or to maintain any Intellectual Property (i) that relates solely to any of the Grantor's products or services that have been discontinued, abandoned or terminated, or (ii) that has been replaced with Intellectual Property substantially similar to the Intellectual Property that may be abandoned or otherwise become invalid, so long as the failure to use or maintain such Intellectual Property does not materially adversely affect the validity of such replacement Intellectual Property and so long as such replacement Intellectual Property is subject to the Lien created by this Agreement.

SECTION 4. Grantors' Representations and Warranties. In addition to any representations and warranties contained in any of the other Loan Documents, each Grantor represents and warrants that:

(a) **EXHIBIT A** is a true, correct and complete list of all United States Copyright registrations and Copyright applications owned by such Grantor and all Copyright Licenses to which such Grantor is a party as of the date hereof.

(b) **EXHIBIT B** is a true, correct and complete list of all United States Patents and Patent applications owned by such Grantor and all Patent Licenses to which such Grantor is a party as of the date hereof.

(c) **EXHIBIT C** is a true, correct and complete list of all United States Trademark registrations and Trademark applications owned by such Grantor and all Trademark Licenses to which such Grantor is a party as of the date hereof.

(d) Except as set forth in **EXHIBITS A, B and C**, none of the Intellectual Property owned by such Grantor is the subject of any licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor.

(e) All IP Collateral owned by any Grantor is, and shall remain, free and clear of all Liens, encumbrances, or security interests in favor of any Person, other than Permitted Encumbrances.

(f) Such Grantor owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No material claim has been asserted and is pending by any Person challenging or questioning the use by such Grantor of any of its Intellectual Property or the validity or effectiveness of any of its Intellectual Property, nor does such Grantor know of any valid basis for any such claim,

except as otherwise set forth in the Credit Agreement. Such Grantor considers that the use by such Grantor of the Intellectual Property does not infringe the rights of any Person in any material respect. No holding, decision or judgment has been rendered by any Governmental Authority which would limit, cancel or question the validity of, or such Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect on the business or the property of such Grantor.

(g) Such Grantor shall give the Collateral Agent prompt written notice (with reasonable detail) following the occurrence of any of the following:

(i) Such Grantor's obtaining rights to, and filing applications for registration of, or being issued a registration in or receiving an issuance of, any new Intellectual Property, or otherwise acquiring ownership of any registered Intellectual Property (other than the acquisition by such Grantor of the right to sell products containing the trademarks of others in the ordinary course of such Grantor's business), provided that Grantor shall not register any Copyrights in the Copyright Office until it: (a) has given at least thirty (30) days' prior written notice to the Collateral Agent of its intent to register such Copyrights and has provided the Collateral Agent with a copy of the application it intends to file with the Copyright Office (excluding exhibits thereto); (b) executes a security agreement or such other documents as the Collateral Agent may reasonably request in order to maintain the perfection and priority of the Collateral Agent's security interest in the Copyrights proposed to be registered with the Copyright Office; and (c) records such security documents with the Copyright Office contemporaneously with filing the Copyright application(s) with the Copyright Office.

(ii) The filing and acceptance of a statement of use or an amendment to allege use in connection with any of such Grantor's intent-to-use Trademark applications.

(iii) Such Grantor's becoming entitled to the benefit of any registered Intellectual Property whether as licensee or licensor (other than entering into a License granting such Grantor the right to sell products containing the trademarks of others in the ordinary course of such Grantor's business).

(iv) Such Grantor's entering into any new Licenses with respect to the Intellectual Property (other than entering into a License granting such Grantor the right to sell products containing the trademarks of others in the ordinary course of such Grantor's business).

(v) Such Grantor's knowing, or having reason to know, that any application or registration relating to any Intellectual Property may, other than as

provided in SECTION 3 above, become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the PTO, the Copyright Office or any court or tribunal) regarding such Grantor's ownership of, or the validity or enforceability of, any Intellectual Property or such Grantor's right to register the same or to own and maintain the same.

SECTION 5. Agreement Applies to Future Intellectual Property.

(a) The provisions of this Agreement shall automatically apply to any such additional property or rights described in subsections (i), (ii), (iii), and (iv) of SECTION 4(g), above, all of which shall be deemed to be and treated as "Intellectual Property" within the meaning of this Agreement. Upon the acquisition by any Grantor of any additional Intellectual Property, such Grantor shall promptly deliver to the Collateral Agent an updated **EXHIBIT A, B, and/or C** (as applicable) to this Agreement and hereby authorizes the Collateral Agent to file, at such Grantor's expense, such updated Exhibit as set forth in SECTION 5(b).

(b) Upon the reasonable request of the Collateral Agent, each of the Grantors shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may reasonably request to evidence the Collateral Agent's security interest in any Intellectual Property (including, without limitation, filings with the PTO, the Copyright Office or any similar office), and each of the Grantors hereby constitutes the Collateral Agent as its attorney-in-fact to execute and file all such writings for the foregoing purposes, all such acts of such attorney being hereby ratified and confirmed; provided, however, that the Collateral Agent's taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

SECTION 6. Grantors' Rights To Enforce Intellectual Property. Prior to the occurrence of an Event of Default, the Grantors shall have the exclusive right to sue for past, present and future infringement of the Intellectual Property, including the right to seek injunctions and/or money damages in an effort by the Grantors to protect the Intellectual Property against encroachment by third parties, provided, however, that:

(a) The Grantors first provide the Collateral Agent with written notice of the Grantors' institution of any legal proceedings for enforcement of any Intellectual Property.

(b) Any money damages awarded or received by the Grantors on account of such suit (or the threat of such suit) shall constitute IP Collateral.

(c) Upon the occurrence and during the continuance of any Event of Default, the Collateral Agent, by notice to the Grantors, may terminate or limit the Grantor's rights under this SECTION 6.

of SECTION 7. Collateral Agent's Actions To Protect Intellectual Property. In the event

(a) any Grantor's failure, within fifteen (15) days of written notice from the Collateral Agent, to cure any failure by such Grantor to observe or perform any of such Grantor's covenants, agreements or other obligations hereunder; and/or

(b) the occurrence and continuance of any other Event of Default,

the Collateral Agent, acting in its own name or in that of any Grantor, may (but shall not be required to) act in any Grantor's place and stead and/or in the Collateral Agent's own right in connection therewith.

SECTION 8. Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, in addition to all other rights and remedies, the Collateral Agent may exercise all rights and remedies of a secured party under the Uniform Commercial Code as adopted in the Commonwealth of Massachusetts, with respect to the Intellectual Property, in addition to which the Collateral Agent may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property, subject to those restrictions to which such Grantor is subject under Applicable Law and by contract. Any person may conclusively rely upon an affidavit of an officer of the Collateral Agent that an Event of Default has occurred and that the Collateral Agent is authorized to exercise such rights and remedies.

SECTION 9. Collateral Agent As Attorney-In-Fact.

(a) Each of the Grantors hereby irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as and for such Grantor's true and lawful agent and attorney-in-fact, effective following the occurrence and during the continuance of any Event of Default, and in such capacity the Collateral Agent shall have the right, with power of substitution for each Grantor and in each Grantor's name or otherwise, for the use and benefit of the Collateral Agent and the other Secured Parties:

(i) To supplement and amend from time to time **EXHIBITS A, B and C** of this Agreement to include any newly developed, applied for, registered, or acquired Intellectual Property of such Grantor and any intent-to-use Trademark applications for which a statement of use or an amendment to allege use has been filed and accepted by the PTO.

(ii) To exercise any of the rights and powers referenced herein.

(iii) To execute all such instruments, documents, and papers as the Collateral Agent reasonably determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Intellectual Property, subject to those restrictions to which such Grantor is subject under Applicable Law and by contract.

(b) The power of attorney granted herein, being coupled with an interest, shall be irrevocable until this Agreement is terminated in writing by a duly authorized officer of the Collateral Agent.

(c) The Collateral Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by SECTION 9(a), but if the Collateral Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to any Grantor for any act or omission to act, except where a court of competent jurisdiction determines by final and nonappealable judgment that the subject act or omission to act has resulted from the gross negligence or willful misconduct of the Collateral Agent.

SECTION 10. Collateral Agent's Rights. Any use by the Collateral Agent of the Intellectual Property, as authorized hereunder in connection with the exercise of the Collateral Agent's rights and remedies under this Agreement, the Credit Agreement and the Security Agreement, shall be coextensive with the Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

SECTION 11. Intent. This Agreement is being executed and delivered by the Grantors for the purpose of registering and confirming the grant of the security interest of the Collateral Agent in the IP Collateral with the PTO and the Copyright Office. It is intended that the security interest granted pursuant to this Agreement is granted as a supplement to, and not in limitation of, the Security Interest (as defined in the Security Agreement) granted to the Collateral Agent, for its own benefit and the benefit of the other Secured Parties, under the Security Agreement. All provisions of the Security Agreement shall apply to the IP Collateral. The Collateral Agent shall have the same rights, remedies, powers, privileges and discretions with respect to the security interests created in the IP Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Security Agreement, the terms of this Agreement shall control with respect to the IP Collateral and the terms of the Security Agreement shall control with respect to all other Collateral.

SECTION 12. Further Assurances. Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further documents, financing statements, agreements and instruments and take all such further actions as the Collateral Agent may from time to time reasonably request to better assure, preserve, protect and perfect the security interest in the IP Collateral granted pursuant to this Agreement and the rights and remedies created

hereby or the validity or priority of such security interest, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the security interest and the filing of any financing statements or other documents in connection herewith or therewith.

SECTION 13. Termination; Release of IP Collateral. Except for those provisions which expressly survive the termination thereof, this Agreement and the security interest granted herein shall terminate when (i) the Commitments have expired or been terminated, and (ii) the principal of and interest on each Loan and all fees payable under the Credit Agreement and the other Loan Documents shall have been paid in full, all of the Secured Obligations have been indefeasibly paid in full in cash, and (iii) all Letters of Credit shall have expired or terminated or been collateralized, to the extent of 103% of the then Letter of Credit Outstandings, and (iv) all L/C Disbursements shall have been reimbursed, at which time the Collateral Agent shall execute and deliver to the Grantors, at the Grantors' expense, all UCC termination statements, releases and similar documents that the Grantors shall reasonably request to evidence such termination; provided, however, that this Agreement, and the security interest granted herein shall be reinstated if at any time payment, or any part thereof, of any Secured Obligation is rescinded or must otherwise be restored by any Secured Party upon the bankruptcy or reorganization of any Grantor. Any execution and delivery of termination statements, releases or other documents pursuant to this SECTION 13 shall be without recourse to, or warranty by, the Collateral Agent or any other Secured Party.

SECTION 14. Choice of Laws. It is intended that all rights and obligations under this Agreement, including matters of construction, validity, and performance, shall be governed by the laws of the Commonwealth of Massachusetts.

[SIGNATURE PAGE FOLLOWS]

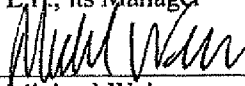
IN WITNESS WHEREOF, the Grantors and the Collateral Agent have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

GRANTORS:

BORROWERS:

PLVTZ, LLC


By: PRENTICE CAPITAL MANAGEMENT,
L.P., its Manager

By: 
Name: Michael Weiss
Title: Chief Financial Officer

FACILITY GUARANTORS:

PLVTZ HOLDINGS II, LLC

By: PRENTICE CAPITAL MANAGEMENT,
L.P., its Manager

By: 
Name: Michael Weiss
Title: Chief Financial Officer

**COLLATERAL
AGENT:**

BANK OF AMERICA, N.A.

By: _____
Name: Christine Hutchinson
Title: Vice President

IN WITNESS WHEREOF, the Grantors and the Collateral Agent have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

GRANTORS:

BORROWERS:

PLVTZ, LLC

By: PRENTICE CAPITAL MANAGEMENT,
L.P., its Manager

By: _____
Name: Michael Weiss
Title: Chief Financial Officer

FACILITY GUARANTORS:

PLVTZ HOLDINGS II, LLC

By: PRENTICE CAPITAL MANAGEMENT,
L.P., its Manager

By: _____
Name: Michael Weiss
Title: Chief Financial Officer

**COLLATERAL
AGENT:**

BANK OF AMERICA, N.A.

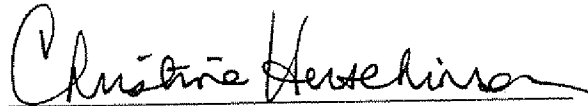
By: 
Name: Christine Hutchinson
Title: Vice President

EXHIBIT A

List of Copyrights and Copyright Licenses

Copyright Registrations and Applications

Owner	Copyright Description	Registration Number (Serial No.)	Registration Date (Date Filed)
PLVTZ, LLC	"Selling for Results"	PAu-720-006	11/01/84
PLVTZ, LLC	"Selling at Seaman's"	TX2-120-029	06/12/87
PLVTZ, LLC	"The Magic Wand"	TX2-120-028	06/12/87

Copyright Licenses

None

EXHIBIT B

List of Patents and Patent Licenses

Patents and Patent Applications

Owner	Title	Application No.	Filing Date
PLVTZ, LLC	Machine Operator Protective Guard	10/680,333	10/07/03

Patent Licenses

None

EXHIBIT C

List of Trademarks and Trademark Licenses

Trademark Registrations and Applications

Owner	U.S. Service Mark/ Trademark Description	Registration or Application Number (Serial No.)	Registration or Application Date (Date Filed)	Status
PLVTZ, LLC	"Feel the Love"	78239632	04/18/03	Pending
PLVTZ, LLC	"@ My Place"	2484713	09/04/01	Registered
PLVTZ, LLC	"Love The Way You Live"	2422492	01/23/01	Registered
PLVTZ, LLC	"Rooms For Less"	1803479	11/09/93	Renewed
PLVTZ, LLC	"Better Rooms for Less"	2386797	09/19/00	Registered
PLVTZ, LLC	"Levitz Coast-to-Coast Since 1910" with oval	1043146	07/06/76	Renewed
PLVTZ, LLC	"Levitz"	0969828	10/02/73	Renewed
PLVTZ, LLC	"You'll love it at Levitz"	2800130	02/21/03	Registered
PLVTZ, LLC	"John M. Smyth's Homemakers"*	1922052	09/26/95	Renewed
PLVTZ, LLC	"Seaman's Kids Furniture"	2436329	03/20/01	Registered
PLVTZ, LLC	"Seaman's"	1798293	10/12/93	Renewed
PLVTZ, LLC	"See Seaman's First"	1816230	01/11/94	Renewed
PLVTZ, LLC	"The Package"	1824758	03/01/94	Renewed
PLVTZ, LLC	"The Sensible Way To A Beautiful Home!"	2125211	12/30/97	Renewed

*License granted.

Trademark Licenses

None.

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